

ORDINANCE NO. _____

1 WHEREAS, the City owns and holds Pershing Municipal Auditorium for the
2 benefit of the citizens of the City of Lincoln; and

3 WHEREAS, the Auditorium is a significant asset and is an integral part of the
4 City's efforts to provide services in the public interest for the betterment of the
5 community; and

6 WHEREAS, the Auditorium has operated with a significant historical deficit
7 requiring outlays of public funds to subsidize its operations; and

8 WHEREAS, the Auditorium's overall usage and efficiency could be improved by
9 an infusion of private resources including capital, management services, marketing
10 services, entertainment services, administration services, and procurement services;
11 and

12 WHEREAS, SMG, a Pennsylvania general partnership, which is indirectly and
13 jointly owned by Hyatt Hotels (FMG Partners) and ARAMARK Corporation (ARA
14 Facilities Management), 701 Market Street, Philadelphia, PA, 19106 has extensive skill,
15 expertise and experience in management services, marketing services, entertainment
16 services, administration services, and procurement services, and is willing to capitalize
17 a concessions improvement fund and a study to identify limited aesthetic improvements
18 of the Auditorium; and

19 WHEREAS, SMG has represented that it believes it can improve the historical
20 subsidy and lessen the City's subsidy required for the operation of the Auditorium; and

1 WHEREAS, the City desires to engage SMG to manage and operate Pershing
2 Auditorium and SMG desires to accept such engagement.

3 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of
4 Lincoln, Nebraska that:

5 1. The Mayor is authorized to enter into a management agreement with SMG
6 to provide for management, marketing, entertainment, administration, and procurement
7 services for the Pershing Municipal Auditorium upon terms and conditions as provided
8 in the attached agreement.

9 2. The City shall pay the expenses of operating the Auditorium as provided in
10 the agreement.

11 3. SMG shall deposit the remaining balance (\$59,375) of the original
12 \$150,000 fund established as a concessions improvement fund, and a marketing fund
13 of \$50,000 and five percent of Concessions Gross Revenue, as provided in the
14 agreement.

Introduced by:

Approved as to Form and Legality:

City Attorney

Approved this ____ day of _____, 2005:

Mayor